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THE FINANCE COMMISSION

OF THE

CITY OF BOSTON

A STUDY OF CERTAIN OF THE EFFECTS OF
DECENTRALIZATION ON BOSTON AND
SOME NEIGHBORING CITIES AND TOWNS.



CITY OF BOSTON
PRINTING DEPARTMENT
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REPORT TO THE GOVERNOR AND LEGISLATURE.

BOSTON, July 9, 1941.

To His Excellency the Governor and to the Honorable Senate and House of Representatives in General Court Assembled.

The City of Boston is suffering today from an ailment which is common to every large city in the country — decentralization. At the moment, municipal experts all over the United States are viewing the trend with grave concern because it is working great hardship on our urban centers. Decentralization, the migration of population from the city to the suburbs, leaves behind a municipality fully serviced, but with increasingly fewer people to maintain it. A certain amount of retail shopping usually accompanies the migration and from time to time wholesale business and manufacturing follows. The results are far-reaching and raise serious problems for the areas affected.

The Finance Commission has made a study of certain of the effects of decentralization on Boston and some neighboring cities and towns, and offers this report for the purpose of presenting certain of the data obtained. It is hoped by this report to show the trend of decentralization in our Metropolitan area; to emphasize the obvious fact that an area and a population much larger than the City of Boston alone is being affected by it in the same way, and with the same result, as the City itself is being affected; to urge fair and unprejudiced consideration, and to stress the need, of a united and cooperative approach to the problem; and finally, to suggest one of many ways in which the problem may be attacked within the limits of existing statutory powers.

Eventually, if the present trend continues, important and far-reaching alterations of law must come to pass, and though the matter is not at present immediate, it may well happen that action will have to be taken

at the next biennium. In the meantime, the situation should be faced and plans laid for meeting the situation before it forces too great dislocation of the economics of our Metropolitan area.

All our cities seem to have pursued a common historical pattern. In the eighteenth and nineteenth centuries and in the first two decades of the twentieth, they grew at the expense of the country. The tide slackened in the 1920's and following the depression began to ebb, slowly at first, but more recently with steadily increasing speed.

EXTENT AND DIRECTION OF POPULATION CHANGES IN THE METROPOLITAN AREA.

Boston is no exception to the general rule. The Federal census shows that it has lost population since 1930. This loss as yet is not great, amounting to 10,372, or 1.3 per cent of the 1930 population. It has been sufficient, however, to cause comment and suggestion of remedies on all sides. But most of this comment has concerned itself particularly with Boston, and has failed to envisage the fact that the problem is a Metropolitan one. It is not Boston's alone; it is a problem of the entire area and must be so considered.

The 1940 census, while it showed a decline in the population of Boston, also showed a decline in that of five other contiguous municipalities in the Metropolitan area. The six cities and the figures relating to them follow:

CITIES.	1930 Population.	1940 Population.	Actual Decrease.	Percentage of 1930 Population Lost.
Boston.....	781,188	770,816	10,372	1.3
Cambridge.....	113,643	110,879	2,764	2.4
Somerville.....	103,908	102,177	1,731	1.7
Chelsea.....	45,816	41,259	4,557	9.9
Everett.....	48,424	46,784	1,640	3.4
Revere.....	35,680	34,405	1,275	3.6
Totals.....	1,128,659	1,106,320	22,339	

It should be noted that the population loss of Boston is less in percentage than that of any of the other five municipalities.

A further analysis of these figures is necessary. It is important to discover whether the loss is caused by migration rather than by an excess of deaths over births. Figures of births prior to 1935 cannot be relied upon, but figures since that date, although they show a substantial variation in the ratio between births and deaths in the different cities in different years, generally indicate that, with the exception of Revere, births exceed deaths by a large margin.

The table on page 6 presents figures of births and deaths in the six cities mentioned above for three selected years.

CITIES.	BIRTHS.				DEATHS.				Births Per 100 Deaths in 3 Years.
	1935.	1937.	1939.	Total.	1935.	1937.	1939.	Total.	
Boston.....	15,848	15,719	11,965	43,532	10,227	11,504	9,999	31,730	137
Cambridge.....	2,236	2,098	1,832	6,166	1,378	1,435	1,316	4,129	149
Somerville.....	1,210	1,288	1,656	4,154	1,083	965	1,135	3,183	131
Chelsea.....	545	486	641	1,672	426	529	469	1,424	117
Everett.....	771	740	791	2,302	513	378	477	1,368	168
Revere.....	129	112	535	776	319	207	325	841	92
Totals.....	20,739	20,443	17,420	58,602	13,946	14,918	13,721	42,675	794

The foregoing table is interesting in showing that although the actual number of deaths per year is reasonably unchanging, the actual number of births shows occasional wide variation, without apparent reason. The most probable explanation is that many births are not recorded. But even assuming such to be the fact, it only accentuates the degree by which in all but one of these cities the births exceed the deaths. If the relationship obtained, as it probably did, during the whole of the period, it is clear that with the possible exception of Revere, the loss of population was not caused by more deaths than births. In fact, it is a fair conclusion that the loss of population was in spite of an excess of births over deaths, and that more people moved out of these cities and went elsewhere than the number represented by the loss of population above established.

The population which has departed from the six municipalities has of necessity found homes elsewhere. That it has not wholly escaped from the Metropolitan area is evidenced by the fact that the total population of that area was greater in 1940 than it was in 1930 by some 32,253 persons. This means that the total population in the Metropolitan area, omitting the six municipalities which lost population, increased 54,592. Yet, to locate with any degree of accuracy where the migrants have settled is difficult, although examination of increases in population among the surrounding cities and towns shows certain belts and channels where obviously a large number of persons have established themselves. There is, for instance, a sharp growth in Brookline, Newton and Wellesley. The figures for these municipalities are as follows:

	1930.	1940.	Change.	Per Cent Increase.
Brookline.....	47,490	49,786	2,296	4.8
Newton.....	65,276	69,873	4,597	7.0
Wellesley.....	11,439	15,127	3,688	32.2

There is also a similar growth in Milton, and to a lesser extent in the towns to the south and southwest of Milton. The figures for Milton are as follows:

	1930.	1940.	Change.	Per Cent Increase.
Milton.....	16,434	18,708	2,274	13.8

Another area which has enjoyed a substantial increase of population lies west and northwest of Cambridge. Of this group, Belmont is the most easterly and reports a very large increase, but Waltham and other towns to the west of Belmont have also shown large increases. For instance, Arlington has gained 10.8 per cent and Lexington, 39.2 per cent.

To the north of Boston there is no similar trend, though there are isolated instances of substantial increases of population. The statistics for the towns in this area do not differ materially from those for towns on the other sides of Boston, which are not mentioned above.

The geographical location of towns with large population increase as shown above is evidence that the diffusion from the center has been far from uniform. It brings out, moreover, that growth has followed along the Worcester and Concord pikes. It does not, however, bring out another element which is worth emphasizing, namely, that the peak of increase is about seven miles in a direct line from the State House — in almost any direction. This indicates that the wave of migration has not as yet gone very far out of the City, but has, as would naturally be expected, occupied the unfilled areas nearest to the center.

The foregoing figures, however, shed little or no light upon the question of the direction in which trends are running. It is clear that development has been greatest to the west, southwest and south of the center. But whether migration has been on radial lines or across

them has not been shown, and the Finance Commission has been unable to discover any data which would tend to establish the facts. It is probable, however, that the majority of the migration has been into adjacent areas rather than into an unfamiliar part of the Metropolitan area.

It seems almost unnecessary to attempt further to establish the existence and extent of the flow of population from the city to the suburbs — so many times has it been demonstrated in various studies. The Federal Census Bureau in its 1940 census report has commented on it. The Urban Land Institute in its survey of Boston has called attention to it. Again, a survey of the Boston Metropolitan District and adjacent areas, sponsored by the State Planning Board in June, 1940, contains the following:

“These figures would seem to suggest that the often remarked tendency of decentralization involves a rather limited movement from the inner Metropolitan center to its nearer adjacent areas; while the population of the rural fringe of the Metropolitan district has become almost static, indicating possibly a similar tendency to migration inward towards the intermediate Metropolitan area.”

Also, a comparatively recent article on “Population Shifts in the Boston Area”, prepared in the Massachusetts Department of Labor and Industry, has the following to show the direction of the exodus:

“Is the population in and around Boston moving North or South? Is it clustering around the old established centers of trade or is it diverging radically from them?

“Calculation of the weighted center of population in Boston, on a census tract map, shows that the trend has been southwest and is still going on.”

HOUSING CONDITIONS.

It is at present difficult to prophesy all the effects, which the exodus of people from the densely populated central areas to the more lightly populated suburbs, will have upon the economic and political futures of the areas whence the migration came. Much depends on the speed with which decentralization occurs, on the character of the migrants, and upon the extent of the migration. People will not move unless they believe that they will better themselves by so doing; one of the major elements to be considered, therefore, as an integral part of the problem is the housing situation. The Finance Commission has assembled in the following pages statistics and comments on the housing situation in Boston which it believes to be typical of the housing situation in practically all of the six municipalities in the Metropolitan area which have suffered substantial population loss in the last decade.

The following observations are taken from a report written for a financial investment organization in 1937 and provide a general picture of the physical condition of Boston's residential group:

"Boston homes are old and antiquated; more than half of them are over forty years old, and fully one-tenth are more than seventy years old, some even dating back to pre-revolutionary days. The obsolete type of three-family, three-decker structure rarely found elsewhere in the country constitutes about one-third of all Boston's dwelling structures, and rooming-houses and flats over stores account for another 10 per cent of the structures, a proportion much greater than prevails in almost any other large city.

East Boston has over 30 per cent of its residential structures that are sixty years old and older, and another 32 per cent from between forty to sixty

years. Only 3 per cent of the structures in this area have been built within the past decade.

In Charlestown a very similar situation holds, although the three-deckers vie for precedence with the single family type of wood-frame building. Approximately one-third of the structures in this district are over eighty years old, and fully 90 per cent are over fifty years old.

The North End section of the city is one of the most densely populated areas in the entire county, and approximately 60 per cent of the structures in it are large apartments. About 18 per cent of these are eighty years old or more, and 60 per cent are forty or more years old. Only eleven structures in the whole section were built during the past decade.

The West End is likewise predominantly comprised of large apartment houses, over 53 per cent of the total number of structures being of this character. 20 per cent of the structures in this area are over eighty years old, and 51 per cent are more than forty years old.

The Back Bay, long known as the most exclusive and aristocratic residential section of Boston, is still the area of the highest rentals in the city, despite the fact that its tone has changed quite markedly during the past decade. 58 per cent of all the dwelling structures in this area are single-family houses, and 16 per cent are large apartments, exclusively residential. 14 per cent of these structures are eighty or more years old, and 68 per cent are forty or more years old.

The Downtown Boston area is devoted primarily to commercial and business enterprises, but there are approximately 650 structures used as dwellings within its boundaries. About 95 per cent of these are forty or more years old, while only two are

less than ten years old. 56 per cent of the dwelling units occur in structures which need structural repairs or are unfit for habitation.

The South End shows 38 per cent of its structures classed as rooming-house type, 20 per cent additional are large apartments, exclusively residential, while 17 per cent are either large apartments containing business units or flats over stores. 91 per cent of all the structures are more than forty years old, while 52 per cent are more than sixty years old.

43 per cent of the dwelling structures in South Boston are vertical three-deckers, and 88 per cent are of wood construction. 79 per cent are forty or more years old, and 24 per cent are more than seventy years old.

Roxbury is 40 per cent three-decker dwelling structures, about 21 per cent single-family houses, and 17 per cent vertical two-family structures. 71 per cent of these are forty or more years old, and 18 per cent are more than seventy years old.

Jamaica Plain's dwelling structures are 44 per cent three-deckers, and 20 per cent single-family. 80 per cent are built of wood, and 17 per cent are in need of structural repairs or unfit for human habitation.

The population of the Dorchester district considered as a unit was exceeded by only forty-six of the principal cities of the country according to the 1930 census.

Although affording excellent commercial and business, and fair industrial, opportunities, it is primarily a residential section, served by excellent rapid transit facilities and housing approximately one-fourth of the city's population in dwellings fairly evenly divided between the single-family, two-family and three-decker type of construction. Only 4 per cent of the total number of structures

are large apartment houses, but 94 per cent of all the structures are of wood. Only $2\frac{1}{2}$ per cent of the structures are more than eighty years old, and only 28 per cent are forty or more years old. $2\frac{1}{2}$ per cent of all the structures in that district have been built since 1930.

The West Roxbury-Roslindale section of Boston is comprised predominantly of single-family houses, which constitute 58 per cent of all the dwelling structures. 28 per cent are the two-family vertical type, and 11 per cent are three-deckers. 94 per cent of all the structures are of wood, and but 16 per cent are forty or more years old.

Hyde Park is the most southern section of the city, and relatively less densely populated than any other. 53 per cent of its dwelling structures are single-family houses, and 33 per cent are of the two-family vertical type. 98 per cent are built of wood, and only some 6 per cent are in need of major structural repairs or unfit for human habitation. The proportion of home ownership is higher here than in any other district of the city, 42 per cent of the units being so classified. 38 per cent of the structures are forty or more years old, while 4 per cent have been built since 1930.

Brighton and Allston is relatively the newest district of Boston; over 21 per cent of the total structures in the district have been built within the past decade. 40 per cent of all the structures are the two-family vertical type, and 30 per cent are single-family structures. 78 per cent of the houses are built of wood, and less than 6 per cent of all are in need of major repairs. Only $23\frac{1}{2}$ per cent of the total number of structures are forty or more years old."

Against the background as to the quality of houses in the city furnished by the foregoing quotation, it might be of interest to show the volume and character

of new residential construction in Boston in the period 1937 to 1940, inclusive. Such a table follows:

WARD AND SECTION.	1 Family Dwellings.	2 Family.	2-10 Family.	10-20 Family.	20-30 Suite.	30-40 Suite.	40-50 Suite.	50-60 Suite.	60-70 Suite.	70-80 Suite.	80-90 Suite.
1. East Boston.....	12	1									
2. Charlestown.....	0	0	....	3*	11*	25*					
3. West End, North End and South End.....	1	0									
4. Roxbury.....	0	0									
5. Boston, Back Bay.....	1	0	....	....	4	2					
6. South Boston.....	1	0									
7. South Boston.....	1	0	....	1*	12*	....	5*	1*	2*	....	2*
8. Roxbury.....	0	0									
9. Roxbury.....	0	0	....	2*	7*	2*	1*				
10. Roxbury.....	2	1	3	7*	15*	15*	2*				
11. Roxbury.....	0	0	2	....	....	....	1	1			
12. Roxbury.....	0	0									
13. Dorchester.....	3	1									
14. Dorchester.....	5	3	2								
15. Dorchester.....	1	0									
16. Dorchester.....	39	4	1								
17. Dorchester.....	130	7	....	1							
18. Hyde Park.....	249	9									
19. West Roxbury.....	105	5	4								
20. West Roxbury.....	355	6	3	1							
21. Brighton.....	11	13	6	14	....	4	1	3			
22. Brighton.....	36	60	6								

* Indicates housing units under Boston Housing Authority.

The table shows that except in four wards, the construction of one and two family dwellings was almost at a standstill. And of these four wards, three at least are wards where the greater part of the undeveloped land in the City of Boston is situated. The growth in Hyde Park and West Roxbury therefore is really an example within the city limits of the tendency towards decentralization which elsewhere has taken the City's population and located it in the suburban areas.

Nevertheless, even though due allowance be made for the development of semi-rural areas in West Roxbury and Hyde Park, the conclusion cannot be avoided that in Boston the depreciation and deterioration of existing dwellings is proceeding at a rate greatly in excess of compensatory new construction.

That the situation in Boston is reflected in the other five cities under discussion may be deduced from certain figures prepared by the Bureau of Research of Boston University in relation to new construction between 1935 and 1938, in these six municipalities. They show the following:

CITY.	1940 Population.	Number of New Residences Constructed, 1935-1938, Inclusive.	Number of Residences Constructed Per 1,000 of Population in 4 Years.	Total Assessed Value of Taxed Property — 1940.	Total Value of All or Substantially All Construction — 1935-1938.	Percentage of Assessed Value.
Boston.....	770,816	855	1.10	\$1,483,234,500	\$8,120,500	.5 of 1%
Cambridge.....	110,879	59	.53	170,603,600	1,022,850	.6 of 1%
Somerville.....	102,177	8	.07	114,057,800	68,350	.06 of 1%
Chelsea.....	41,259	13	.31	44,474,850	269,500	.6 of 1%
Everett.....	46,784	22	.47	72,156,400	107,100	.1 of 1%
Revere.....	34,405	43	1.24	41,849,250	144,100	.3 of 1%

NON-RESIDENTIAL BUILDING.

The Massachusetts Department of Labor and Industries, after commenting as previously quoted on the shifting center of Metropolitan population, has the following comment on non-residential building in Boston:

“Movement of Non-Residential Building. To what extent has non-residential building in the city been affected by the movement of the population center? A study of educational building (including public and parochial schools, as well

as college buildings other than dormitories) shows that if we consider the construction of buildings, each of which was valued at \$100,000 or over in the period 1929-1938, very few were built in the northern parts of the city. Interpretation of the figures must be made with a realization that they are based upon permits issued (and hence are not final) and also that, in the case of schools, construction occurs some years after the need is first felt. In the South End a school and a library were erected — both at an estimated cost of \$190,000. In Roxbury construction was somewhat greater, although concentrated in the southern and western parts of the area. South Boston had one new school and one large alteration. The North End had only three buildings totaling \$623,000 (including \$100,000 for the Suffolk Law School). The largest building north of Roxbury was the General Edwards School in Charlestown (\$538,000 in 1931). On the other hand, building in the opposite direction included the Brighton High School (\$1,372,000 in 1929), another in Brighton for \$700,000 in 1931, the Boston University Administration Building in the Fenway District (\$830,000 in 1938), a school for \$657,000 on Roxbury Street (in Roxbury) in 1935, Memorial High School for Boys (\$1,225,000 in 1929), the Burke School on the outskirts of Roxbury (\$920,000 in 1932), the Lewenberg School in Mattapan (\$756,000 in 1929) and Hyde Park High School (\$1,227,000 in 1929). On the whole, the largest schools were erected in areas which had been expanding during the decade 1920-1930."

Commercial building was defined rather loosely in the survey to include retail stores, offices, restaurants, theaters and banks, for which permits were issued amounting to \$100,000 or more. Most of the building

between 1929-1938 was still concentrated in the downtown section of Boston:

"Building in East Boston was confined to that for racing and aviation purposes. In East Boston there were two warehouses and a large alteration at the Edison Plant. The other sections had equally little building of this type. It is significant, however, that some large developments have occurred out of the main "business district." The Christian Science Building (over \$3,000,000 in 1931), the Liberty Mutual Building (\$1,500,000 in 1936), the New England Mutual Building (\$2,500,000 in 1938), a large office building on Stuart Street (\$850,000 in 1936), the Professional Arts Building on Stuart Street (\$1,700,000 in 1930), these are not the first to move out of the downtown section."

"Few Large Industrial Buildings. Industrial building in Boston between 1929 and 1938 was very slight, with only 10 permits issued for \$100,000 or more. These included a municipal printing plant in the North End, and two buildings in the downtown area, totaling \$300,000. The remainder were scattered throughout the southern and western portions of the city.

In general, schools show the greatest tendency to follow the population, as we might expect. Commercial building shows signs of moving South and West also; however, the type of buildings included is important here. Thus, the large office buildings erected below Park Square may have been placed there simply because the land was available rather than because the population has moved South; indeed, such buildings are not greatly concerned with the center of population since the type of service rendered may be carried on anywhere. This is particularly true in the case of the

home office of an insurance company. Again, the large retailers in the downtown area may not be affected for some time by the drift of population, since that section is looked upon as the amusement and shopping center. It is only when adequate local competition develops that these stores will be affected. This superior position can be maintained because people will come in to shop at various stores, thus getting a wide range to choose from — something which they cannot do in a local area with one or two small firms."

The survey continues with certain observations and conclusions which serve to establish the connection between the residential building or lack of it and the growth or lack of growth of population. The following aptly summarizes its conclusion:

"Northern Towns Relatively Worse Hit. Summarizing, then, we find that the largest decreases occur in the North. On the whole, the Northern cities have declined both with respect to residential and non-residential investment while the cities to West and South have grown in population as well as in both types of building. This is particularly true of Wellesley. It is interesting to note that, while Boston and Cambridge have fared badly with respect to residential building, they are still the most densely covered with respect to non-residential investment. It should also be pointed out that while the northern cities as a whole were declining as residential areas, they were not so badly off as regards non-residential investment, although the development of the Western and Southern towns threatens to overtake them."

"Thus, there seems to be a general tendency for a spreading of the population away from Boston and into the suburbs. The first effect of this we might expect to fall merely on residential building as the

inhabitants of the outlying areas continue to work and shop in Boston. In the long run, however, a continued movement of the population may be followed by increased industrial and commercial development in the suburbs. Taxes, health conditions, desire to get out of congested areas and expansion of travel facilities are some of the important factors influencing these changes."

MANUFACTURING AND COMMERCIAL ACTIVITIES.

The State Department of Labor and Industries (Division of Statistics) has also given a striking picture of decline in Boston in figures relating to manufacturing activities. These figures revealed that the number of manufacturing establishments in Boston decreased from 2,603 in 1928 to 2,255 in 1938; that the wages paid in manufacturing activity decreased from \$104,865,000 in 1928 to \$64,603,000 in 1938; that the average number of wage earners in manufacturing activities was 75,468 in 1928 and 54,160 in 1938; that the production value of manufacturing activities in 1928 was \$586,050,000 and \$367,366,000 in 1938.

The Federal Reserve Bank has shown that the net average annual sales of cooperating department stores in Boston, as expressed by index figures, decreased from 105.5 in 1929 to 70.0 in 1939.

Boston has already lost much industrial business to other parts of the country. Necessarily this has taken many residents away from Boston; but Boston has lost many residents to other nearby suburbs, people who are still in business or employment in Boston, and the business of supplying many of their needs has gone into the suburbs also.

The Boston Real Estate Exchange has shown that in 1931 the area vacant in 134 buildings reported upon by members totalled 876,322 sq. ft., which was 14.3 per cent of the total rentable area. The area vacant in 1940 in 100 buildings reported upon was 1,240,942 sq. ft., which was 25.3 per cent of the total rentable area.

The statistics and other material which has been set forth in the preceding pages are illuminating, but it cannot fairly be said that a relationship of cause and effect among them can be established. In fact, each may be and probably is an effect as well as a cause of the other. The unchallengeable fact is the contemporaneousness of the phenomena, and their disruptive effect on the economy of the area in which they are manifesting themselves.

DECENTRALIZATION IN LARGE CITIES OTHER THAN BOSTON.

While all the major cities of the country are disturbed by its results, decentralization does not produce the same situation in all. Two recent reports by responsible agencies illustrate this point.

A writer in a recent issue of the National Municipal Review stated that Chicago, which became the second largest city in the country in area and population, has grown apprehensive because it has stopped growing. Yet Chicago, the writer stated, has enough subdivided and improved lots within its borders to house twice its present population. In earlier years as other municipalities drained away the Chicago population, Chicago annexed the other municipalities. In that manner it cushioned the effect of decentralization in the central city.

Decentralization in New York was considered in a report of the Urban Land Institute, which pointed out that although migration in New York has been principally away from Manhattan, the downtown of New York, it had been principally to other boroughs of New York City. Manhattan's loss, therefore, is not necessarily some other city's gain. The migration may have left some blighted areas in downtown New York, but other parts of the city have benefited and the city as a whole was not injured.

TAXATION AS A CAUSE OF DECENTRALIZATION.

Many have claimed that the high tax rate of Boston has been one of the primary causes of the decentralizing movement. It seems to the Finance Commission that it may be argued with equal force that the decentralizing movement is one of the primary causes of the high tax rate. It is well known that the total tax in dollars assessed upon real estate in 1940 was less than the total tax in dollars similarly assessed in 1930. As an example of this, an analysis of 43 typical office buildings in Boston shows that the tax assessed against them in 1940 was \$2,404,535 as against \$2,758,674.40 in 1930 — a decrease of \$354,139.40, or 12 per cent.

The argument, therefore, that high taxation in Boston is a major cause of migration from the city is apparently unwarranted. The high Boston rates are due to the decline in total assessable valuation within the city limits while public service, demanded by the people and established in more prosperous times, goes on unabated.

Even if it be granted that the great financial depression of a decade ago was an important factor in the generally depressed condition of the city, it does not account for much of the phenomena under discussion.

CONCLUSIONS AND REMEDIES.

Concern should not be directed to the inevitability of a decentralizing movement; it is probably natural that population will eventually leave a city as soon as cheaper and more attractive living in the suburbs becomes available with the development of transportation. The important point is that the City still remains the hub of the Metropolitan wheel around which suburban life in the last analysis revolves, connected with it by the spokes of turnpikes and railroads, while the City with its terminals, its business and industrial sections, its institutions of culture and public welfare, remains the center without which the suburban areas could not continue.

Experience already accumulated here and elsewhere leads to the conclusion that there is nothing which can stop the centrifugal trend in Metropolitan Boston. Better highways and extension of highways into the open spaces of the surrounding communities actually encourage it, rather than retard it. The housing developments along the Worcester turnpike and the Concord turnpike are sufficient evidence of this. Yet better highway connections between the heart of Boston and the outside communities are necessary to enable the central city to retain any of its former attraction as an industrial city and as a shopping and amusement center.

One important feature which the newly developed communities cannot duplicate is Boston's great port and railroad terminal facilities. This advantage, the origin of important and extensive business, must continue to be readily available to the suburban communities about Boston, lest they might possibly be attracted to ports and terminals more easily accessible. Therefore, it is necessary that the port and terminal facilities of Boston, to say nothing of the shopping areas, be accessible by means of good highways to the consuming areas of the north, west and south of Boston.

The migratory movement has been going on for some years and is steadily growing. It is likely to continue for many years, and to spread population more evenly over a wide area. The impact of this economic change on the Metropolitan area will be eventful. It is one of the hopeful movements of our period and if its effects are properly understood and adequate provision made for cushioning them, it will be of inestimable benefit to our whole population. But on the other hand, it will take time to make the necessary readjustments. Substantially nothing along this line has yet been thought out. In fact, the community has hardly waked to the existence of the facts which are causing the problem — let alone visualizing the various elements involved in it and evolving the steps necessary to solve it.

It appears that the only attempt made to date in the direction of meeting the general problem of decentralization has been the sponsorship of the proposed circumferential highway by many organizations containing memberships from a wide area in and about Boston. However, even this one effort was stressed as a highway scheme more than as a deterrent to the decline of the areas surrounding Boston Harbor with its ports and terminals.

Throughout the public discussion of this matter a note of prejudice against Boston was clearly discernible. Those concerned with the development of the idea pointed to many substantial advantages to the whole Metropolitan area by such a project. However, to many who gave support, the controlling incentive was "that it does not cost Boston anything." This lukewarm basis of support suggested to representatives of other communities that if it was to cost Boston nothing, then it would be undertaken at their expense, and they therefore opposed it. This attitude is typical of the attitude of the communities outside Boston to any State aid to Boston.

The Finance Commission believes strongly that this prejudice against Boston and Boston's interests is shortsighted. The problem is not Boston's alone. It is equally applicable to five of the neighboring cities. The combined population of Boston and of these cities is over 1,100,000 persons. It is almost one-half the population of the Metropolitan area and about one-quarter of the population of the entire State. The plight of the municipalities which embrace such a large fraction of the people of the whole Commonwealth cannot be solved on a basis of prejudice. It is too important to all. It must be approached on a basis of an intelligent and open-minded appraisal of existing facts and future probabilities.

The Finance Commission is well aware of the unwillingness of all the surrounding cities and towns to throw in their lot with Boston. The reasons both economic and

emotional are deepseated. They arouse resistance to every proposal which may result in or be construed into a closer union with Boston. Yet they must not be allowed to cloud or distort the problem which the Metropolitan area is facing. It is a problem of transferring to the shoulders of a large number of growing communities a portion of the burdens which cannot be borne alone by some six or seven large cities in the heart of the Metropolitan area. Cambridge and Somerville, Revere and Chelsea, are suffering from the same malady as Boston, and probably to a greater degree. Their problem is the same as the problem of Boston, and the same solution is as necessary for them as for Boston.

One of the first suggestions which might be made in approaching this solution involves the unifying of municipal services. How to remove this suggestion from the realm of wishful thinking and indicate ways and means of applying it is the next step. To answer this, let us see how the feat of coordination of municipal services is being accomplished elsewhere.

In an article in *Public Administration Review* for Spring, 1941, entitled *Functional Consolidation in Metropolitan Areas*, the following appears:

"The units of local government in the United States are notoriously out of conformity with the pattern of modern urban and metropolitan development. The development of industry, transportation, and commerce has spread communities over tremendous areas so that the city government which formerly had jurisdiction over an entire community is often to-day only one among many municipal corporations in a single metropolitan region.

"The heroic solution for the resulting problems of coordination would be to consolidate cities, counties, and other local governmental units within an urban or metropolitan region. But to accomplish such a consolidation many practical problems of finance, personnel, and administration have to be

worked out and a great many political prejudices overridden. Such obstacles have made consolidation an impossibility. Meanwhile throughout the country, in all kinds of functions and at all levels of government, administrative officials are proceeding by informal agreements or by formal contracts to put into effect programs that cut across the boundaries of independent local government areas. Such administrative cooperation or functional consolidation may in the long run facilitate the legal or structural consolidation which has so often been considered necessary before anything can be done about the community needs of an area larger than the existing units of local government."

"This may be formal or informal, written or unwritten, statutory or working agreement, vertical or horizontal (number of similar departments or group of dissimilar ones).

"It may be furnished on a basis of prorated cost schedule, in dollars or per cent of cost. The determination may be prescribed by contract on a basis of meter flow, as in sewage, water and power; on a volume of money handled, as in tax collection and assessment; on a basis of men, equipment and time, as in fire protection; on a basis of proportionate area served, as in sewers, roads and bridges."

"Cooperation by contract has a number of advantages. The predefined type of cooperation required under contracts is much more satisfactory than informal, personal arrangements which tend to change from time to time. In the written agreement responsibilities both financial and administrative are clearly indicated. The usually temporary character of contracts makes periodical revisions of procedure and method an easy process. Thus the rigidity of legally restricted public corporations in their day-to-day operations is avoided. Considerable room is left for administrative experimentation.

"Flexibility and easy conformity are not the only virtues of contracts. Often where annexation, consolidation, or control through special districts is politically inexpedient, contracts serve to promote uniformity of service without depriving smaller jurisdictions of their cherished political prerogatives. The economy of the contract method is readily apparent. Handicaps of meager finances and poor staffing of small administrative departments are overcome by having long-established agencies merely add a new parcel of territory to a large existing system. Many communities are obtaining services which alone they never could approximate out of limited tax funds. In terms of efficiency through expert administration, the small jurisdiction profits greatly by the use of contracts. The small city or district saves money and receives generally better service, and it does not lose its political identity. On the other hand, both jurisdictions have an opportunity to experiment to discover whether it is more advantageous to organize community services on a larger scale.

"In the long run such experimentation may prove to be a transition to consolidation or federation of the local units, and in the meantime it is serving a useful administrative purpose."

Here is a suggestion worthy of careful consideration. It applies and makes possible the fundamental management principle of coordination, with its resultant efficiencies. Although California is the locale of the operation of the intergovernmental contracts described above, it is true that the Boston Metropolitan area is not without experience in the field of metropolitanization and coordination of services. The story of agreements for cooperative effort of contiguous municipalities in fire fighting and police work, the transit pattern of the Boston Elevated, the servicing of the Metropolitan area by the Metropolitan District Commission in the

fields of water, sewers and parks — these are too familiar to need recounting, yet they are precedents not to be ignored.

It is not the intention of this report to advocate specific examples of possible coordination in the Metropolitan area. There are many such possibilities, all within the limits of existing law; and in addition, many more which would require legislative action. In this latter category, for instance, is the problem of public welfare. The Bureau of Municipal Research recently recommended that this problem be metropolitanized. A Metropolitan police force is another possibility. The City Hospital is almost Metropolitan in many of its functions, but is supported wholly by Boston taxpayers. And many other possibilities could be mentioned.

Nor is it the intention of the Finance Commission to suggest any form of cooperation by which the political stature of the City of Boston might be enhanced. The problem is too serious to permit the introduction of such considerations. Furthermore, it is not a problem where Boston alone is involved on one side as against the other cities and towns in the Metropolitan area on the other. What is true of Boston is true of Cambridge, Somerville, Everett, Chelsea and Revere. They have a common problem and Boston, as has previously been shown, is not suffering and probably will not suffer as badly as certain of these other municipalities. The common problem which they all have involves areas where almost one-half of the entire population of the Metropolitan area resides. For the remaining cities and towns to fail to recognize the effect on them of the difficulties of these other areas is folly. To adopt a "holier than thou" attitude, and to "let them stew in their own juice" is equally foolish. And to let a fear of political ascendancy on the part of Boston interfere with a willingness to come to grips with the problem on the part of all officials of the cities and towns in the Metropolitan area is the height of shortsightedness.

In closing, the Finance Commission wishes to emphasize its confidence that the problem raised by decentralization can be satisfactorily solved. A migration from congested areas and antiquated quarters to new homes in suburban areas is a highly beneficial development for Metropolitan Boston. The disadvantages to the areas being deserted do not begin to balance the advantages to the whole community. These disadvantages will, however, become serious and will demand action. The Finance Commission believes that they can be solved in a spirit of cooperative effort, and urges the immediate initiation of such effort in such a spirit.

As a step in this direction, the Finance Commission believes it would be fitting for Your Excellency to sponsor the creation of a recess legislative committee whose task would be a comprehensive study of the situation and the presentation of a report to the next Legislature containing suggestions for statutory authorization of, and directions for, coordinating public services in the Metropolitan area.

Respectfully submitted,

CHARLES M. STOREY, *Chairman,*

JAMES E. MAGUIRE,

DAVID LASKER,

JAMES H. FLANAGAN,

ELIAS F. SHAMON,

The Finance Commission.



